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C O N F I D E N T I A L SECTION 01 OF 03 BAKU 000535

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DEPT FOR EUR/CARC
DEFENSE FOR OUSDP DMELLEBY

E.O. 12958: DECL: 07/02/2034

TAGS: PREL TU AM AJ

SUBJECT: BRINGING ILHAM ALONG: HOW TO CONVINCE AZERBAIJAN TO STOP UNDERMINING THE TURKEY-ARMENIA PROCESS

1C. BAKU 533 (NOTAL)

Classified By: DCM Donald Lu, Reasons 1.4 (b) and (d)

- 11. (C) Summary: Azerbaijan has loudly and repeatedly complained that the Turkey-Armenia reconciliation process potentially weakens Azerbaijan's position in its conflict with Armenia (reftel a). They have through domestic pressure and threats of a natural gas cutoff tried to force the Turks to back away from the process. This drama has also had a profoundly negative effect on U.S.-Azerbaijani bilateral relations (reftel b). Embassy Baku worries that the current slide in relations with both Turkey and the U.S. could continue to deteriorate. The agreement to sell, admittedly small, volumes of natural gas to Russia this week is evidence of the stakes.
- 12. (C) Summary continued: Some in Azerbaijan, including perhaps the President, are smart enough to understand that the Turkey-Armenia process is likely to continue with or without Azerbaijan's permission. President Aliyev has signaled his interest in several forms of enhanced cooperation some of which could have a positive effect on U.S. interests. Embassy Baku believes seriously pursuing one or more of these Azerbaijani priorities would be enough to convince Azerbaijan to remain silent on Turkey-Armenia. End Summary.

Why Do the Azeris View it So Differently?

- 13. (C) Reasonable or not, Baku's policy toward the Turkey-Armenia process is a subset of its policy on Nagorno-Karabakh (NK). Baku deeply fears the loss of its key lever on the Armenians -- the closed border with Turkey -- and sees little incentive for Sargsian to negotiate in good faith in a post-open border environment. That Turkey is willing to give up this leverage while gaining nothing on NK is seen as an outright betrayal. The Turks have blamed the Americans for forcing them into this reconciliation process, so the sense of betrayal extends to the U.S. as well.
- 14. (C) A key problem is that Baku's analysis is predicated on a much rosier scenario for NK than it has any plausible reason to expect. The advantages that have accrued to Azerbaijan from the border closure have certainly been minimal and if anything the returns are diminishing.

Furthermore, Azerbaijan, even with its focus on improving its military capability, is unlikely anytime soon to structure a force large or well-equipped enough to overcome the terrain advantages enjoyed by the NK Self-Defense Force and the Armenian army.

Connection with the NK Peace Process

- 15. (C) The Azerbaijanis do not buy our message that progress in the Turkey-Armenia process will encourage progress in the NK peace process. Aliyev claimed to the Ambassador (reftel a) that Sargsian's toughness at the negotiating table at recent meetings has varied directly with the extent to which Turkey appears to predicate a final agreement on a resolution of NK. The Foreign Minister has repeatedly reiterated this (reftel c). The President's staff have noted that domestic controversy over the Turkey-Armenia reconciliation process is evidence that the current regime is not stable enough to sell an NK settlement to its own people. Azerbaijan's negative reactions to Turkey are fueled by Erdogan and Gul's unfriendly treatment of Aliyev. Aliyev believes the Turks would have sold Azerbaijan out months ago without even the courtesy of a consultation.
- 16. (C) Azerbaijan's trepidation about the process is also magnified by the drift i perceives in its relations with the United Stats, whom Baku perceives more and more to be responible for the Turkey-Armenia process(reftel b). Th government has drawn significant negative infernces from what it interprets as inattention to is priorities and

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non-recognition of its contributions to American priorities (reftel a). A prime example is the issue of Section 907, where Baku has inflated the fact that the Obama Administration has not pronounced definitively that it supports repeal, as previous Administrations have. They cite this absence of a public position on Section 907 as evidence of a serious shift in U.S. policy against Azerbaijan.

"Non-Interference" Is Not Support

¶7. (C) President Aliyev's line on the Turkey-Armenia process is that he is deeply disappointed at Turkish behavior, but Turkey is a sovereign country that can make its own decisions. He adds, however, that Turkey will face the consequences if it delinks reconciliation with Armenia from the NK process, and routinely points to the energy sector. Therefore, while Aliyev has said that he does not intend to "interfere" in the process, his concept of interference is elusive. It is clear that for Aliyev, non-interference does not translate into silence, and certainly not into support. If his quiet acquiescence is desired, it will have to be obtained by an approach different from what we have attempted to date.

How Much Damage Can They Do, Anyway?

- 18. (C) The effect of Azerbaijan's disquiet about the Turkey-Armenia rapprochement is reckoned to be a weakening in Turkey's resolve to make the hard decisions necessary to move the process forward, including de-linking the process from NK. It is worth considering, however, how important Azerbaijan's complaining is at this point. Initially, it appeared that Azerbaijan's diplomacy) sending Deputy FM Azimov to Ankara, and a few staged events by parliamentarians coordinated with the Turkish opposition had a limited effect. Then the visit of PM Erdogan to Baku on May 13 yielded a statement that Turkey would not open the border until the NK problem was solved.
- 19. (C) Aliyev told Ambassador at her farewell call that MFA Under Secretary Cevikoz (reftel a) had come to him to inform

him that Turkey was about to commit to de-linking NK because of intense pressure from the United States. While the extent of Aliyev's influence on the Turkey-Armenia process is debatable, what is obvious is that the U.S. is steadily losing influence in Azerbaijan as the process moves forward.

Righting the Boat

- 110. (C) It is plain that the United States cannot give President Aliyev what he really wants, which is an explicit linkage of the border opening to a solution of NK. Aliyev asked Ambassador Derse to explore whether any of the following are possible (reftel a):
- -- Progress on walking back Section 907,
- -- Defensive military sales, particularly air defense, and
- -- High-level actions to show commitment to solving NK.

Either delivering on one of these items or showing a willingness to have serious dialogue on these requests could be enough to "buy" Azerbaijani silence on Turkey-Armenia.

- 111. (C) Some relatively simple possibilities for rejuvenating our bilateral ties in the near term include:
- -- (C) A statement from the Administration that supports previous Administrations' positions that 907 unsuitably restricts the President's authority to carry out the foreign relations of the United States, and that the Administration opposes any new conditionality on the President's waiver authority.
- -- (C) The appointment of a new U.S. Minsk Group negotiator who is of a more senior rank or who already has the

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confidence of the government in Baku. Baku might also view positively the assignment of a Minsk Group envoy who had this responsibility as a full-time vocation, as was the case prior to the Bush Administration.

- -- (C) A senior-level dialogue about the sale of defensive radar equipment or a similar clearly defensive air defense system. The DoD Defense Threat Reduction Agency has already provided Azerbaijan a coastal radar system to detect WMD proliferation across the Caspian. Azerbaijan is looking for systems that could provide early warning of attack from its neighbors.
- -- (C) A robust training and equipment program for Azerbaijani troops headed to Afghanistan. The government is seriously considering a battalion-sized contribution to Operation Enduring Freedom, but are hoping for a serious, sustained commitment to train the units that are being deployed with American forces in Afghanistan.
- 112. (C) Each of these suggestions would respond directly to requests made by President Aliyev. Moreover, we are at a point where increasing Aliyev's prestige in a matter that elevates him personally will give him room to show some results for his pro-Western policy orientation, strengthen his position vis-a-vis Russia and the confidence to stay at the table in the Minsk process. Most importantly, it will contribute to preserving Azerbaijan as an economic and security partner of genuine value as the country moves through a transformative phase in its relations with its closest ally.

 DERSE